

Charity Registration No. 1068550

Company Registration No. 3510613 (England and Wales)

AGE UK DERBY AND DERBYSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

AGE UK DERBY AND DERBYSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Directors/Trustees	H Campbell A M Johnson L Done D Brown J Holdridge J Matthews C R Newton
Secretary	L Done
Chief executive	K Pugh
Charity number	1068550
Company number	3510613
Registered office	29a Market Place Heanor Derbyshire DE75 7EG
Auditors	Baldwins Audit Services Limited Churchill House 59 Lichfield Street Walsall WS4 2BX
Bankers	National Westminster Bank Plc 42 Bath Street Ilkeston Derbyshire DE7 8HF
Solicitors	Flint Bishop LLP St. Michael's Court St. Michael's Lane Derby DE1 3HQ

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AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016)".

Chairs report

2016/17 has been every bit as challenging as we had anticipated but not altogether for the reasons we had expected!

The charity experienced the closure of its Derby Advocacy Service in April 2016 and by mid-year knew that its remaining advocacy services and staff would transfer to a new provider as part of a change in commissioning strategy. Multiple services went through the difficult experience of consultation on proposed 100% cuts to their funding and staff, personally affected, had to support users and carers facing the real threat of losing a lifeline service.

In the midst of such stressful and demanding processes the charity received notification of a substantial legacy. This generous and thoughtful gift presented a welcome opportunity to consider growth and development but of course within a context of cuts and losses. Faced with such substantial cuts the legacy could not protect all our valued services so the Board of Trustees agreed to invest the legacy in our charity's resilience. Exciting developments in our fundraising capacity, organisational good health and support to achieve some step changes in best practice we hope will position us well for whatever 2017/18 and beyond holds.

The legacy discussions highlighted the excellent working relationships between governance and management. Our Trustees maintained a balance between support for our existing services and risk management in the present with the need to guide the charity into the future. Our legacy discussions, which could so easily have raised tensions within the Board and between Governance, Management and charitable services, demonstrated a healthy and fit for purpose Board.

Again this year I have been impressed by the professionalism shown by staff and trustees faced with the many challenges of delivering services within a landscape of almost constant commissioning flux and system change, threats of cuts and a rapidly changing local environment. The enthusiasm, energy and willingness to 'go the extra mile' remains the over-riding impression from these visits.

Our charity faces another year of financial loss coming after several years of cuts, change and loss. I know that our Board, Management, staff, wonderful volunteers and service users and carers will face and overcome many of these challenges and thanks to the generosity of our benefactor our charity will be more resilient and face the future with creativity and enthusiasm.

Hilary Campbell, Chair of Trustees

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Objectives and activities

The objectives of the charity are stated as 'for the benefit and wellbeing of older people within the public community in and around the County of Derbyshire including the City of Derby'.

Mission Statement:

We want later life to be better.

Our purpose:

We exist to improve the lives of older people in Derby and Derbyshire, taking care to value diversity and include and involve people from all communities.

We seek to achieve this by focusing on three key areas forming an inter-linked strategy of programmes, containing all our projects, activities and actions. Each area combines to achieve our purpose for public benefit.

The programmes are:

The Service Delivery Programme
The Support and Development Programme
The Income Generation Programme

The way we work:

- **Partnership:** AUKDD believes that the best quality services cannot be provided alone and in isolation. AUKDD works in formal and informal partnership in almost every aspect of our service delivery.
 - **Multi-agency working:** the CEO and senior staff represent the charity in various multi-agency working groups and partnerships. One example is the Derbyshire Dementia Action Alliance and its sub-local alliances. The Alliances allow our charities strategic work on dementia to link and compliment other strategies and achieve more or better results for older people and carers living with dementia.
 - **Specialist Infrastructure Support:** AUKDD believes that it has a role in supporting other organisations, groups and communities that support older people and that by doing so it can help to achieve its own charitable objectives. Support includes specialist advice and practical help and AUKDD is a member of the Derbyshire Infrastructure Consortium: 3D. Its infrastructure role includes support to Age Concern groups within Derbyshire and this role involves offering 1:1 support with issues such as governance, sustainability, legal and HR matters, funding and service development. The Information Roadshow enables smaller groups to access outreach support and offers a valuable, free service to groups and clubs. Relationships have been formed with former Age UK Local Committees which have continued their work in support of the charity which will help coordinate local fundraising and activities.
 - **Influencing:** AUKDD believes in working at both a direct service level and at a strategic level to promote best practice and advocate for the general needs of older people. Staff engage in local media activity helping to reach potential users and influence debate. We have participated in key Age UK campaigns about social isolation, welfare benefits and home care throughout the year in addition to local campaigns. We enable older people and carers to express their views with support from Information and Advice and by promoting consultation opportunities direct to older people. In 2016/17 our remaining Advocacy Service ceased as local commissioning strategies resulted in an all adults service being commissioned. The loss of the only remaining independent specialist older people's advocacy service will reduce the charity's capacity to campaign for individuals. Throughout the year the CEO works within multi-agency working groups, strategic planning processes and consultation events to raise issues affecting older people and carers bringing local experience, national research and a local Age UK involvement to these processes.
 - **Diversity:** AUKDD works to reflect the diverse communities of Derbyshire within every aspect of the charity including its governance, strategic planning, user involvement and service delivery. Our local communities are changing and our services are responsive to the different cultures and expectations we now work with. Our organisation-wide Equality and Diversity training last year has been built on with support for awareness months and promotion of issues.
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TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

- **Volunteers** are essential in all aspects of the charity's work. The 200+ volunteers who gave their time regularly to AUKDD in 2016/17 enable it to operate, raise funds, administer and govern the charity. Volunteers contribute in-kind to the organisation with the donation of approximately 41,000 hours per annum. Our shops use approximately 500 hours of volunteer time per week. AUKDD governance relies on 7 trustees and occasional specialist support of approximately 280 hours per annum (based on attendance at 10 meetings per year and preparation time). The monetary value of their skills is hard to find a comparison for but using an average hourly rate of £25.00 the Trustees give AUKDD £7,000 per annum. Recruiting and retaining sufficient volunteers is a significant challenge because the requirements of many roles has become more demanding as legislation, risk assessment and our clients' needs become more complex. Overall numbers of volunteers has reduced, in some areas significantly, and more volunteers are under pressure to secure paid employment or meet employment benefit requirements. Volunteer recruitment and retention is an identified risk in our Risk Management process and a priority for most service leads. However we continue to have an exceptional level of continuous long service from our volunteers and volunteers fulfilling high level roles.

Strategy

In 2016/17 Age UK Derby and Derbyshire provided:

- Advocacy
- Befriending
- Careline
- Wellbeing Services: Chaddesden Park Centre
- Day Care
- Dementia Services: Memory Lane
- Digital support
- Outreach
- Strictly No Falling Falls Prevention Service
- First Contact Derby
- vSPA
- Footcare – 'Tootsies'
- Information and Advice:
 - Derbyshire Dales Housing Options Service
 - Information and Advice
 - Information Roadshow
 - Benefits Take Up Project
- Influencing

Development of services for older people is supported by:

- Specialist support for older people's groups
- 3D Derbyshire Infrastructure Consortium

These activities are supported by:

- Retail: 8 charity shops located across Derby and Derbyshire
- Age UK Retail Profit Share Scheme
- A donation resulting from Insurance Sales by Age UK Nottingham and Nottinghamshire
- Fundraising and Legacy Sharing Agreement – Age UK
- Donations and fundraising activities

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TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Achievements and performance

We said we would:

1. Mainstream our income generation maximising the value of every contact with a potential donor.
Thanks to the generous donation of new electronic tills for our shops, equipped with electronic point of sale technology, the charity introduced Gift Aid to its retail outlets. A system was developed including bespoke promotional materials, recording and communication system using resources and skills given by a trustee.
2. Support other organisations to deliver great services for older people to achieve the best reach for our money. We feel infrastructure support, quality accreditation, service development and partnership work can help us reach more people than we can achieve alone. We continue to participate in a wide range of strategy development in Adult Social Care and primary health care. The substantial cuts to voluntary sector funding during 2016/17 involved consultation with our users, carers and wider communities and providing opportunities for people to speak out about their experiences and the value of our services. For smaller groups the process of cuts consultations and reapplying for funding which had often been in place for several decade was a significant challenge. We provided guidance and in some cases practical support and raised the needs of this group of providers at strategic opportunities.
3. Communicate better with all our stakeholders. Use all communication channels to their best advantage and promote our work coherently and effectively. Our digital strategy, whilst still in its infancy, has developed with a more consistent and wide ranging use of digital resources for communication. Our web-content was transferred to the new smartphone friendly website which offers a simpler format and further opportunities for connectivity. Our twitter followers are also growing and we use twitter to support national and local campaigns and present positive messages about our often invisible services. Service reporting is now a regular system of continuous review and staff recognized that our reporting and quality systems enabled us to be 'consultation ready'. Plans within our legacy project will include funding some creative marketing collateral for new and existing services.

The anticipated risks to current funding will add to our short-term plans:

- Aligning current grant funded services more closely to the funding available
- Reviewing our strategic position and plan

As anticipated 2016/17 saw significant financial risk and challenge across almost all services. Multiple services funded by Derbyshire County Council faced 100% cuts to their funding and a difficult consultation phase. At the eleventh hour alternative funding was secured until March 2018 but all the charities externally funded services live with the ever present threat of further cuts. Trustees conducted a strategic review process to ensure our Strategic Plan remained fit for purpose but felt making long-term plans would not be possible until commissioning strategies were clearer, so a short term update on the plan was completed.

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Financial review

The charity currently has a reasonable balance of income generated from donations relating to insurance sales and retail activity and commissioned services funded by local authority and clinical commissioning groups but during 2016/17 a number of services faced funding cuts as austerity plans began to impact on local authority funding. Levels of funding and diversity remains healthy but downward trends in retail income and donations relating to insurance sales are a cause of concern. The charity works to improve its income from charitable trusts and grant-making bodies to reduce the demands placed on retail income and the dependency on commissioned service income and this will become more pressing as external funding for services is under threat and the demand for unrestricted income grows.

The organisation will continue to work to increase opportunities for donation and legacy income which offers potential for growth and to maintain services independently of local authority funding. The majority of our externally funded services continue to exist on short term extensions and commissioning structures and strategies remain unclear. The uncertainty means our financial planning and risk management is conservative and we have prioritized the maintenance of good reserves to protect the interests of the charity, our service users and staff as far as possible.

Whilst the charity faced serious threats to its long-term services it received news of a substantial legacy which presented trustees and management the challenge of balancing the immediate financial pressures with long-term planning using the legacy. The Board used its Programme Board structure to ensure the legacy contributed to the development of every aspect of the charity and established criteria for the Board and Leadership Group to assess ideas against. The Board identified a series of projects to support the charity's resilience against a changing external landscape. Each project has a separate, designated reserve and a review process.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has power to make any investment which the Board sees fit provided that the Board shall seek proper professional advice.

Reserves policy and going concern

The Trustees have agreed a policy for managing adequate and appropriate reserves for the charity in line with the guidance issued by the Charity Commission. The trustees have considered the risks to the organisation, completed an analysis of the impact of significant risks and identified the need to maintain a reserve equivalent to between 1 and 3 months unrestricted expenditure (between £90,650 and £271,950). Because of the liabilities the charity holds for the maintenance of buildings, staff redundancy or TUPE and emergency planning the trustees have included designated reserves to ensure adequate cover for these specific risks. In addition in 2016/17 separate reserves have been designated by Trustees for projects funded by legacies.

Total funds amount to £1,389,083 of which Restricted fund balances amount to £56,452, and will be applied for the specific purposes identified in the Statement of Funds, resulting in Unrestricted fund balances totalling £1,332,631. Of these £1,332,631 Unrestricted Funds the amount of £93,292 is in the form of tangible assets and £1,239,339 in other net assets. Of this £1,239,339 a total of £1,003,725 has been designated to specific purposes (these are detailed within note 17 of these accounts), leaving free reserves of £235,614 which is within the current free reserves policy identified above.

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TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Plans for future periods

Our Strategic Plan concentrates on three strands of activity: Service Development, Income Generation and Support and Development. Each programme board has set an annual plan based on the overall strategy.

In addition to delivering against each of the 5 aims for each of the Programme Boards we will:

1. Manage a comprehensive review of services at risk of funding cuts to establish alternative funding and delivery models.
2. Establish closure plans for services as necessary managing the needs of service users and carers, volunteers and staff and communicating effectively with all stakeholders.
3. Deliver a programme of development within our legacy projects.

Strategic direction 2017/2018

The Board has set a timescale for the review of its strategic plan and the development of a new short-term plan reflecting the continued period of uncertainty and local and national change.

Overall our strategic objectives remain relevant although in the short-term cuts to funding and other environmental changes may dominate our attention and then demand a review of our organisation's structure, resources and direction. Substantial cuts to our funding would result in a very different spread of services and activities in terms of scope and scale and at that point Trustees would need to consider whether their priority was to re-build our current range of services or concentrate on building a new suite of services from our remaining resources.

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Structure, governance and management

Governing document

Age UK Derby and Derbyshire (Reg. Charity No: 1068550) is an independent charity within the Age England Association and a local partner with Age UK.

The charity is a company limited by guarantee (No. 3510613) governed by its Memorandum and Articles of Association and having its registered office at 29a Market Place, Heanor, Derbyshire, DE75 7EG.

The directors who served during the year were:

H Campbell
A M Johnson
L Done
D Brown
J Holdridge
J Matthews
C R Newton

Appointment of trustees

The Board has a rolling programme of trustee recruitment to secure continuity for the Board. In recognition of the vital importance of governance to the future of the charity we continue to use the self-assessment process of the Charity Commission's Good Governance Code for the Voluntary Sector and used our redeveloped resources in two trustee induction processes during the year.

Induction and training of trustees

There are 7 serving trustees with a mix of experienced and new trustees. All trustees are well-informed about Age UK Derby and Derbyshire, through experience and or induction and bring to their roles a wealth of experience in the fields of health and social care, company law, strategic planning and quality assurance, commercial enterprise and other governance roles in the voluntary sector.

Organisation

The Board meets up to six times per year, generally four times each year in addition to 12 programme board meetings each involving at least two trustees. The full Board meetings are scheduled to co-ordinate with budget setting, accountancy periods and organisational activity. Trustees have developed a Project Management system across the organisation. Work of the Board is delegated to three Programme Boards covering areas of work crucial to service and organisational development:

- Income Generation
- Support and Development
- Service Delivery

The Finance Sub-Committee reports directly to the Board and liaises with Programme Boards. Task and Finish Groups are established as needed to progress specific pieces of work or in preparation for processes such as the Age England Association quality assurance audit.

All three Programme Boards are made up of individual Trustees with delegated authority, staff representatives and specialist advisors as necessary. The Programme Boards report against their project plans and note areas of achievement, change or revised completion dates. Each Programme Board can make decisions within the budget set and agreed by the full Board of Trustees. Each Programme Board identifies key areas requiring full Board discussion, decision or approval.

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Internal control

The Board of Trustees is responsible for the strategic governance of the charity including the setting and monitoring of an annual budget, quality and development, organisational risk assessment, strategic planning and the policies and internal procedures for the management of staff and volunteers.

The implementation of these strategies and the day-to-day management of the organisation are delegated to the Chief Executive. The Chief Executive is required to keep the Board well-informed of internal and external issues which affect or are otherwise relevant to the organisation.

To promote best practice in service delivery the Trustees use various quality assurance programmes to improve effectiveness and minimise risk.

- **Organisational Quality Standards for local Age UK's in England.**

As part of our membership of the Age England Association and our partnership with Age UK we must meet the new quality standards. In October 2014 we completed our evidence portfolio and inspection visit and audit and passed with no areas for improvement. The next cycle of assessment will begin in 2017.

- **ISO 9001**

Age UK Derby and Derbyshire had ISO 9001 re-confirmed in the audit in May 2017. We have now held this award for 8 years and each year have had a clear audit report. This internationally recognised quality standard was considered an important system for the development of public services and entry into the competitive tendering and commissioning structures of Health and Social Care but in recent years local tendering has rarely required the standard and the charity is considering alternatives.

- **Befriending and Mentoring Approved Provider Status**

The Befriending Projects have been awarded 'Approved Provider Status' for the main Befriending Service in the High Peak and Derbyshire Dales for 6 years and Careline for 3 years. In 2015 the Befriending Service again achieved the highest standard with an exceptional audit report by the assessor. This also entitles us to the highest level award in a local quality assurance programme called Derbyshire Trusted Befriending Network.

In general other areas of activity are regulated by local and national systems including Trading Standards, CSCI and Adult Health and Social Care.

Financial Management operates to written and monitored procedures covering all areas of financial activity.

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Related parties and co-operation with other organisations

- **Partnership Working**

Following the regulatory changes introduced in the Financial Services Act in January 2005, to enable the charity to continue to receive vital income from the sale of Age UK Insurance products and services, the charity negotiated an agreement with Age UK Nottingham and Nottinghamshire (AUKN&N) which allows product sales by AUKN&N throughout Derby and Derbyshire. The agreement continues to serve Age UK Derby and Derbyshire well and 2016/17 has again seen fair performance, despite poor performance on some products, which has resulted in vital funds being donated for the charity. Revenue for 2017/18 from Insurance products and services is anticipated to reduce as some key products change and the overall market becomes more challenging.

- **Age UK Partnership Agreement**

Since April 2010 AUKDD has worked in partnership with Age UK and other Brand Partners under a partnership agreement. It involves compliance with shared standards for presentation, service delivery and development as well as core principles such as user involvement and quality.

In addition to the partnership agreement a series of other formal agreements cover key relationships. The primary agreement is between Age Concerns in Derbyshire who are 'Friends' and work with AUKDD on shared outcomes. Other, less formal, agreements exist with older people's Forums and Friendship Centres. In Derbyshire we also had two Age UK Local Committees dedicated to fundraising which have agreed to support our charity. At a local level good working relationships exist across our network to ensure we make effective use of our contacts with older people and their carers.

- **The Age England Association**

AUKDD is a full member of the Age England Association and a member of the East Midlands Region. The Chief Executive represents Age UK Derby and Derbyshire within 'Brand Partner' meetings in the East Midlands. The regular meetings provide an opportunity for engagement with Age UK and other Brand Partners. The Chief Executive represents the East Midlands region at the Executive Committee of the Age England Association helping to ensure the Association reflects the needs and aspirations of its members.

Pay policy for senior staff

The directors consider that the board of directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the charity. They are in charge of directing and controlling, running and operating the Charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 12 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with inflation.

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' ANNUAL REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Risk management

Organisational risk is assessed on an ongoing basis and reviewed periodically at Support and Development Programme Boards. Risk assessment is an integral part of the work of the Chief Executive and of each Programme Board and at meetings of the whole Board when current performance and future objectives are discussed. In 2016/17 they identified key risk areas and reviewed them in a regular process of in depth analysis of risk and risk mitigation.

The charity's income generation streams represent a constant risk as they are subject to external change and income generation maintains existing services, supports the development of adequate reserves and maintains essential independence. Shop performance is monitored carefully through the year and a new Retail Plan was established in 2015/6 and has achieved significant improvements in terms of approach within the shops and trials of new staffing structures.

Auditors

Following a restructuring Baldwins Audit Services Limited became the auditors of the company during the year and are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Small company exemption

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies provided by Part 15 of the Companies Act 2006.

The Trustees' annual report was approved by the Board of Directors.

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Trustee
H Campbell

Dated:

29a Market Place
Heanor
Derbyshire
DE75 7EG

AGE UK DERBY AND DERBYSHIRE

TRUSTEES' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

The directors, who also act as trustees for the charitable activities of Age UK Derby and Derbyshire, are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AGE UK DERBY AND DERBYSHIRE
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AGE UK DERBY AND DERBYSHIRE
FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Age UK Derby and Derbyshire for the year ended 31 March 2017 set out on pages 14 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of Trustees' responsibilities set out on page 11, the directors, who also act as trustees for the charitable activities of Age UK Derby and Derbyshire are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- The information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statement; and
- The Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

AGE UK DERBY AND DERBYSHIRE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF AGE UK DERBY AND DERBYSHIRE
FOR THE YEAR ENDED 31 MARCH 2017

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Richard Matthews (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services Limited

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Chartered Accountants
Statutory Auditor

Churchill House
59 Lichfield Street
Walsall
WS4 2BX

AGE UK DERBY AND DERBYSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2017

		Unrestricted funds	Restricted funds	Total 2017	Total 2016
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	531,629	3,008	534,637	95,736
Charitable activities	4	852,085	44,393	896,478	974,093
Other trading activities	5	272,163	-	272,163	257,928
Investments	6	8,791	-	8,791	9,386
Other income		-	-	-	15
Total income		<u>1,664,668</u>	<u>47,401</u>	<u>1,712,069</u>	<u>1,337,158</u>
Expenditure on:					
Raising funds	7	267,974	-	267,974	255,577
Charitable activities	8	930,820	77,828	1,008,648	1,069,661
Total resources expended		<u>1,198,794</u>	<u>77,828</u>	<u>1,276,622</u>	<u>1,325,238</u>
Net Income/(expenditure) before transfers		465,874	(30,427)	435,447	11,920
Gross transfers between funds		<u>(28,831)</u>	<u>28,831</u>	-	-
Net movement in funds		437,043	(1,596)	435,447	11,920
Fund balances at 1 April 2016		<u>895,588</u>	<u>58,048</u>	<u>953,636</u>	<u>941,716</u>
Fund balances at 31 March 2017		<u>1,332,631</u>	<u>56,452</u>	<u>1,389,083</u>	<u>953,636</u>

The company had no new or discontinued activities during the year.

AGE UK DERBY AND DERBYSHIRE

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	14		93,292		97,622
			<u> </u>		<u> </u>
Current assets					
Debtors	15	112,784		160,173	
Cash at bank and in hand		1,288,091		763,930	
		<u> </u>		<u> </u>	
		1,400,875		924,103	
Creditors: amounts falling due within one year	16	105,084		68,089	
		<u> </u>		<u> </u>	
Net current assets			1,295,791		856,014
			<u> </u>		<u> </u>
Total assets less current liabilities			1,389,083		953,636
			<u> </u>		<u> </u>
Net assets			1,389,083		953,636
			<u> </u>		<u> </u>
The funds of the charity:	17				
Restricted funds			56,452		58,048
General unrestricted funds		328,906		395,588	
Designated funds		1,003,725		500,000	
		<u> </u>		<u> </u>	
Total unrestricted funds			1,332,631		895,588
			<u> </u>		<u> </u>
Total charity funds			1,389,083		953,636
			<u> </u>		<u> </u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....

H Campbell

Trustee

Company Registration No. 3510613

AGE UK DERBY AND DERBYSHIRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from operations	20		518,970		7,846
Investing activities					
Purchase of tangible fixed assets		(3,600)		(1,663)	
Interest received		8,791		9,386	
			<u>5,191</u>		<u>7,723</u>
Net cash generated by investing activities			<u>5,191</u>		<u>7,723</u>
Net increase in cash and cash equivalents			<u>524,161</u>		<u>15,569</u>
Cash and cash equivalents at beginning of year			<u>763,930</u>		<u>748,361</u>
Cash and cash equivalents at end of year			<u><u>1,288,091</u></u>		<u><u>763,930</u></u>

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Age UK Derby and Derbyshire is a private company limited by guarantee incorporated in England and Wales. The registered office is 29a Market Place, Heanor, Derbyshire, DE75 7EG. The members of the charity are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2016. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.4 Incoming resources

Donations

Donations and legacies are included when received. Where a readily available market value is available, gifts of fixed assets are included as donations at such valuation at the time of receipt.

Grants

This income represents monies receivable from statutory agencies and other charitable trusts for the provision of information, befriending, advocacy, and daycare services. Income is accounted for in the period for which it is received. Where donors specify that grants or donations must be used in future accounting periods such income is deferred.

Shop income

This is included in the accounts when receivable. It represent monies receivable through shop sales of donated goods.

Investment income

Bank interest is included in the income and expenditure account on receipt.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly allocated to particular headings they have been allocated to activities on a basis consistent with use of the resources. Governance costs are those incurred in connection with the charity's compliance with constitutional and statutory requirements.

Irrecoverable VAT is allocated where possible against specific cost categories, otherwise it is treated as a support cost and allocated in the manner stated above.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Leasehold property	Over the period of the lease
Plant, fixtures and motor vehicles	20% - 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount

1.8 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Operating leases

Rentals payable under operating leases are charged to the income and expenditure account when incurred.

1.15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donations and gifts	531,629	3,008	534,637	95,736
	<u>531,629</u>	<u>3,008</u>	<u>534,637</u>	<u>95,736</u>
For the year ended 31 March 2016	<u>92,112</u>	<u>3,624</u>		<u>95,736</u>
Donations and gifts				
Donations and legacies	531,629	3,008	534,637	95,736
	<u>531,629</u>	<u>3,008</u>	<u>534,637</u>	<u>95,736</u>

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017	2016
	£	£
Local authority grants & service level agreements	786,319	871,068
Charitable institution grants	7,100	7,950
Other income	103,059	95,075
	<u>896,478</u>	<u>974,093</u>
Analysis by fund		
Unrestricted funds	852,085	917,835
Restricted funds	44,393	56,258
	<u>896,478</u>	<u>974,093</u>

5 Other trading activities

	Unrestricted 2017	Unrestricted 2016
	£	£
Shop income	272,163	257,928
Other trading activities	<u>272,163</u>	<u>257,928</u>

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Investments

	Unrestricted 2017 £	Unrestricted 2016 £
Interest receivable	8,791	9,386

7 Raising funds

	Unrestricted 2017 £	Unrestricted 2016 £
<u>Shop Trading Costs</u>		
Staff costs	107,410	97,343
Bank charges	1,420	1,285
Rent, rates and power	81,764	78,283
Insurance	5,708	5,338
Professional fees	800	-
Printing, postage and telephone	2,862	2,842
Recruitment & training	831	350
Repairs and computer costs	11,112	16,037
Subscriptions	-	440
Sundry costs	5,592	6,822
Travel costs	5,823	5,324
Goods & consumables	4,681	5,751
Depreciation	3,072	3,072
Irrecoverable VAT	-	410
Support costs (note 9)	36,899	32,280
Trading costs	267,974	255,577

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Analysis of expenditure on charitable activities

	2017	2016
	£	£
Wages	572,197	628,967
Agency costs	45,997	45,997
Internal recharge	16,429	17,216
Rent, rates and power	51,464	49,925
Insurance	3,576	3,553
Printing, postage & telephone	17,844	19,937
Recruitment & training	4,333	11,179
Repairs and computer costs	7,592	6,620
Professional	1,276	990
Sundry costs	62,737	63,424
Subscriptions	40	75
Travel & motor costs	20,608	23,939
Transport	39,614	35,277
Daycare meals	15,752	15,690
Activity costs	4,002	4,961
Irrecoverable VAT	9,245	6,103
Depreciation	2,133	1,822
Support costs (note 9)	123,810	124,443
Governance costs (note 10)	9,999	9,543
Total	1,008,648	1,069,661
Analysis by fund		
Unrestricted funds	930,820	984,820
Restricted funds	77,828	84,841
	<u>1,008,648</u>	<u>1,069,661</u>

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Support costs

	Raising funds	Charitable activity	2017	2016	Basis of allocation
	£	£	£	£	
Wages	33,618	112,801	146,419	147,707	On direct costs
Internal recharges	(4,423)	(14,841)	(19,264)	(20,061)	On direct costs
Rent, rates & power	400	1,343	1,743	1,275	On direct costs
Printing, postage & stationery	1,705	5,722	7,427	7,898	On direct costs
Recruitment & training	579	1,944	2,523	272	On direct costs
Other costs	3,796	12,735	16,531	13,537	On direct costs
Professional costs	878	2,946	3,824	3,720	On direct costs
Travelling costs	346	1,160	1,506	2,375	On direct costs
	<u>36,899</u>	<u>123,810</u>	<u>160,709</u>	<u>156,723</u>	

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

10 Governance costs	2017	2016
	£	£
Wages	1,254	1,136
Audit fee	4,300	4,100
Internal recharges	3,000	2,846
Travel costs	234	515
Other costs	1,211	946
	<u>9,999</u>	<u>9,543</u>

11 Net income / (expenditure)	2017	2016
	£	£
Net income / (expenditure) for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for:		
- the audit of the company's annual accounts	4,300	4,100
- other financial services	2,918	2,567
Depreciation of owned tangible fixed assets	7,930	7,018
Operating lease – land and buildings	<u>90,927</u>	<u>87,437</u>

12 Directors and key management personnel

The trustees did not receive any remuneration during either year.

During the year £238 (2016: £172) of travel expenses were reimbursed to two (2016: one) trustees.

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total employment benefits of the key management personnel were £48,083 (2016: £47,127).

13 Employees

Number of employees

The average monthly number of persons employed by the company during the year was:

	2017	2016
	Number	Number
Direct charitable activities	58	61
Raising funds	12	11
Governance	1	1
	<u>71</u>	<u>73</u>

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Employees (continued)

Employment costs

	2017 £	2016 £
Wages and salaries	727,177	764,335
Social security costs	36,028	36,429
Other pension costs	64,076	74,390
	<u>827,281</u>	<u>875,154</u>

No employees received remuneration over £60,000.

14 Tangible fixed assets

	Freehold property	Short Leasehold property	Plant, fixtures and motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2016	90,000	15,904	90,717	196,621
Additions	-	-	3,600	3,600
	<u>90,000</u>	<u>15,904</u>	<u>94,317</u>	<u>200,221</u>
At 31 March 2017	<u>90,000</u>	<u>15,904</u>	<u>94,317</u>	<u>200,221</u>
Depreciation				
At 1 April 2016	4,501	15,904	78,594	98,999
Charge for the year	1,799	-	6,131	7,930
	<u>6,300</u>	<u>15,904</u>	<u>84,725</u>	<u>106,929</u>
At 31 March 2017	<u>6,300</u>	<u>15,904</u>	<u>84,725</u>	<u>106,929</u>
Carrying amount				
At 31 March 2017	<u>83,700</u>	<u>-</u>	<u>9,592</u>	<u>93,292</u>
At 31 March 2016	<u>85,499</u>	<u>-</u>	<u>12,123</u>	<u>97,622</u>

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

15 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	14,709	35,743
Other debtors	70,996	97,853
Prepayments and accrued income	27,079	26,577
	<u>112,784</u>	<u>160,173</u>
16 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	22,167	15,419
Other taxation and social security	9,812	-
Accruals and deferred income	73,105	52,670
	<u>105,084</u>	<u>68,089</u>

Deferred income of £4,167 (2016: £7,142) from the previous year has been released to income during the year. Additional deferred income received in the year amounted to £11,143 (2016: £4,167).

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

17 Charitable funds

Unrestricted funds

	Movement in funds				Balance at 31 March 2017
	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
General funds	395,588	1,635,837	(1,180,867)	(521,652)	328,906
Designated funds					
Emergency reserve	175,000	-	-	(50,000)	125,000
Staff reserve	150,000	-	-	50,000	200,000
Buildings reserve	175,000	-	-	50,000	225,000
Retail Plan	-	-	-	39,290	39,290
Derbyshire Local - Committee	-	17,963	(7,059)	-	10,904
Erewash Local - Committee	-	10,868	(10,868)	-	-
Infrastructure - Improvements	-	-	-	16,750	16,750
Fundraising	-	-	-	66,684	66,684
Retail Manager	-	-	-	45,775	45,775
Internships	-	-	-	12,056	12,056
Digital	-	-	-	37,410	37,410
I&A	-	-	-	16,475	16,475
Service Evaluation	-	-	-	20,000	20,000
Quality Assurance	-	-	-	18,278	18,278
Volunteer Recruitment	-	-	-	10,327	10,327
Isolation & Loneliness	-	-	-	18,838	18,838
Income Maximisation	-	-	-	86,652	86,652
End of Life Roadshow	-	-	-	10,133	10,133
Mini-bus	-	-	-	44,153	44,153
Designated funds	500,000	28,831	(17,927)	492,821	1,003,725
Total	895,588	1,664,668	(1,198,794)	(28,831)	1,332,631

The Emergency reserve is earmarked by the trustees for potential liabilities arising out of unexpected circumstances, including closure costs particularly those which may arise when any of the Charity's leases have to be terminated.

The Staff reserve has been earmarked to mitigate liabilities for redundancy or TUPE costs and essential cover for key staff.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

17 Charitable funds (continued)

The Buildings reserve has been earmarked for the maintenance of properties and dilapidation liabilities on leases.

The Retail Plan reserve represents funds earmarked for expenditure on either staff or equipment designed to increase the income from our charity shops.

The Derbyshire Local Committee reserve represents funds raised and donated by the committee which has not yet been spent.

The Erewash Local Committee reserve represents funds raised and donated by the committee which has not yet been spent.

The Infrastructure Improvements reserve represents funds earmarked to improve our IT and premises infrastructure.

The Fundraising reserve has been earmarked to allow a small team of dedicated fundraisers to be established who will seek to establish long term sustainable income streams for the charity.

The Retail Manager reserve has been earmarked to fund a dedicated Retail Manager to provide support to our shops and help them to increase the income they generate for the charity.

The Internships reserve has been earmarked to fund a number of short term placements with the charity to undertake a number of short term projects.

The Digital reserve has been earmarked to allow us to improve our digital capabilities by investing in both equipment and staff training.

The Information & Advice reserve has been earmarked to allow us to expand our face to face information and advice service into Chesterfield.

The Service Evaluation reserve has been earmarked to allow us to undertake evaluations of key projects to help identify the key beneficial outcomes of the projects.

The Quality Assurance reserve has been earmarked to allow us to provide a dedicated resource to support the implementation throughout the charity of initiatives designed to improve the quality of all our interactions with older people such as the Dementia Friendly and Scam Friendly programmes

The Volunteer Recruitment reserve has been earmarked to fund support to our shops and services in the recruitment and retention of volunteers.

The Isolation & Loneliness reserve has been earmarked to fund a worker focused on developing services to reduce isolation and loneliness amongst older people.

The Income Maximisation reserve has been earmarked to fund a series of local initiatives designed to support disadvantaged clients to ensure they are claiming the full range of benefits to which they are entitled.

The End of Life Roadshow reserve has been earmarked to allow us to develop a service bringing together those services most important to older people as they plan for the later stages of their life.

The Mini-bus reserve has been earmarked towards the purchase and operation of two minibuses to allow us to develop some new services whilst also reducing our reliance on other transport providers.

General funds represent other funds free of any designation or restriction for use by the charity.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

17 Charitable funds (continued)

Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2017
	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Fairfield Pensioners	892	1,366	(1,705)	-	553
Daycare Amenity	5,778	4,358	(3,776)	-	6,360
Footcare Scheme	38,922	20,833	(58,506)	28,787	30,036
Strictly No Falling	12,456	-	-	-	12,456
Falls Training	-	8,981	(8,981)	-	-
Memory Lane	-	11,863	(4,860)	44	7,047
	<u>58,048</u>	<u>47,401</u>	<u>(77,828)</u>	<u>28,831</u>	<u>56,452</u>

The Fairfield pensioners fund was originally set up by Age UK Derby and Derbyshire in response to the closure of the Fairfield estate post office, the group meets each week to share transport to the nearest post office and cashpoint facilities and then socialise and participate in activities. The group is run with support from the Befriending Service. The group has developed extension projects and regularly works with other services in Fairfield.

The Daycare amenities fund represents monies raised by the Daycare centres in Bakewell, Hope, and Hlland Ward for additional activities for the service use.

The Tootsies Footcare Service scheme aims to deliver Footcare support to people aged 50+. Footcare can contribute to a loss of independence because of foot pain, increased risk of falls and loss of personal dignity. The service will also link users to a wide range of support through the use of the First contact referral system. The service has expanded from its original pilot area and in 2014/15 developed to over 20 venues across the County.

Strictly No Falling is funded by Public Health which during 2012/13 transferred into Derbyshire County Council. Strictly No Falling is a quality assurance programme and influencing scheme to develop 'evidence based, NHS approved falls prevention activity such as chair-based exercise, Otago sessions and Tai Chi. AUKDD delivers under a Falls Prevention contract for the county, delivering the service and sub-contracting elements of the delivery to Derbyshire Community Health Service. The scheme includes development of a quality assurance scheme, development and start-up grants, support to individual tutors, a mapping and development programme to encourage more capacity in key areas and promotion to referral routes to ensure older people at risk of falling use the classes. The Strictly No Falling funding is to support start-up grants, training costs and promotion for the Strictly No Falling class development.

Strictly No Falling (SNF) Falls Prevention Service Training

Derbyshire County Council's Public Health Team fund the Strictly No Falling service which delivers a quality-assured range of evidence based falls prevention exercise within community and care home settings in Derbyshire. As part of the scheme independent instructors need to be trained to deliver classes. The SNF advisors recruit and induct independent instructors and allocate appropriate training. Nationally recognised training qualifications require training from accredited training providers and this fund pays for group training and individual places.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

17 Charitable funds (continued)

Memory Lane (North). Clinical Commissioning Groups in Derbyshire offered a round of grant funding in 2016 to deliver services which addressed their key objectives. AUKDD secured one grant for Memory Lane North which offers an extension of our Memory Lane methodology into additional areas in the North Derbyshire and Hardwick CCG areas.

The service is appropriate and accessible to anyone aged 65+ vulnerable to social isolation but is specially designed for older people and carers living with dementia. Sessions are person-centred so each Memory Lane group is unique, responding to the memories of local communities and cultures. Activities, special events and location are dictated by members and local stakeholders allowing each Memory Lane group to reflect the needs of its community of interest.

Commentary on transfers

Transfers to the restricted funds from the general fund represent the charity's contribution to the respective projects.

18 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2017 are represented by:				
Tangible assets	93,292	-	-	93,292
Current assets/(liabilities)	235,614	1,003,725	56,452	1,295,791
	<u>328,906</u>	<u>1,003,725</u>	<u>56,452</u>	<u>1,389,083</u>

19 Related party transactions

There are no related party transactions to be reported in either year.

AGE UK DERBY AND DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

20	Cash generated from operations	2017	2016
		£	£
	Net income for the year	435,447	11,920
	Adjustments for:		
	Interest receivable	(8,791)	(9,386)
	Depreciation of tangible fixed assets	7,930	7,018
	Movements in working capital:		
	Decrease in debtors	47,389	27,150
	Increase/(decrease) in creditors	36,995	(28,856)
	Cash generated from operations	<u>518,970</u>	<u>7,846</u>

21 Operating lease commitments

At 31 March 2017 the charity had minimum future lease commitments under non – cancellable operating leases as set out below:

	Land and Buildings	
	2017	2016
	£	£
Within one year	58,273	59,919
After one year but not later than five years	69,958	38,971
	<u>128,231</u>	<u>98,890</u>

22 Auditor's liability limitation agreement

In accordance with section 538 of the Companies Act 2006 we are required to disclose any auditor liability limitation agreement in effect.

A resolution was passed dated 20 April 2017 which limits the liability of the auditor to £5m for any loss or damage suffered by Age UK Derby and Derbyshire arising out of or in connection with the provision of services provided by the auditor including negligence but not wilful default.